

Bill Signing Promotes Savings in the First State

Senate Bill 143, signed today by Governor Carney, will increase savings plans education

Treasurer Colleen C. Davis, bill sponsors Sen. Trey Paradee and Rep. Krista Griffith, and children from Brilliant Little Minds Learning Academy celebrated today as Governor John Carney signed Senate Bill 143 into law. This legislation allows the Plans Management Board and the Office of the State Treasurer to increase awareness of the benefits of saving through the 529 Education Savings Plan and through ABLE Plans for those with disabilities.

Also joining the event were Lt. Governor Bethany Hall-Long, Insurance Commissioner Trinidad Navarro, Secretary of Finance Rick Geisenberger, Rep. Mike Smith, Rep. Bryan Shupe, and members of the Delaware Department of Education and the Plans Management Board. The Governor and legislators talked about their own experiences with the savings plans and discussed the importance of the bill. **Treasurer Davis** asked the kids from Brilliant Little Minds Learning Academy what they want to be when they grow up. "Whatever you want to be when you grow up, you have to work hard in school and save your money to make it happen. I'm so glad that we could have young people here with us as we take this step towards expanding economic opportunity and educational attainment."

Senate Bill 143 allows the Board to pursue methods of increasing savings plan enrollments outside of the high-income earning households that traditionally participate by allowing for incentive-based marketing. Possible avenues of promotion include a scholarship program or a match plan, as seen in

other states. These options will be explored by the Board at future meetings. Additionally, new promotions aimed at increasing awareness of using 529s for adult educational attainment and for non-college costs, such as apprenticeship programs, will be integrated into future marketing efforts.

“The costs of education are skyrocketing, but national enrollments in 529 plans have gone down,” **Treasurer Davis** said. “In Delaware, we have worked hard to share the benefits of these plans with our residents and are continuing to see new enrollments. Our nearly 22,000 accounts represent growth of 4% over the last three years, and this bill will allow us to continue to expand. Like these savings plans, Senate Bill 143 is an investment in our future.”

“America is facing a crisis when it comes to saving money for the future,” said **Sen. Trey Paradee, D-Dover**, who works as a financial advisor. “Right now, 40 percent of U.S. adults don’t have enough savings to cover even a \$400 emergency – a brutal fact, which is leaving too many families one missed paycheck from a financial nightmare. We need to be doing all we can to encourage people to take advantage of savings plans, particularly the favorable products offered by our state. This bill is aimed at raising awareness of those products and examining how we can better position them to help working families in need.”

“Given the daunting cost of college education, the state of Delaware needs to do everything it can to promote college savings. Delaware has made great strides in creating accounts for those with disabilities, which will allow them to save money without sacrificing services they depend on,” said **Rep. Krista Griffith, D-Fairfax**. “This bill will allow Treasurer Davis to increase outreach about Delaware’s 529 plan and make more Delawareans aware of the benefits so they can invest and plan for their futures. I’m always looking to help improve accessibility to these accounts and I look forward to continued efforts in the General Assembly.”

Both tax-advantaged savings plans are available to the public, easy to open, and offer investment options so that savings can grow over time until they are used for associated costs. Learn more about our savings plans at 529.Delaware.Gov and ABLE.Delaware.Gov.